



Missouri Department of Higher Education

Building Missouri's future...by degrees

June 13, 2011

Dr. Carolyn Mahoney, President
Lincoln University
820 Chestnut
Jefferson City, MO 65101

Dear President Mahoney:

The purpose of this letter is to inform you that your request for a waiver of the penalty applicable to your increase in tuition and required fees is approved. This action is required because Lincoln University's increase of 4.9% for FY 12 will exceed the amount allowed under the provisions of the Higher Education Student Funding Act (HEFSA).

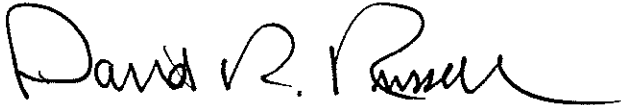
I arrived at this decision by evaluating the information provided in your May 31st waiver request within the context of the criteria previously provided by the Missouri Department of Higher Education. I also considered separate recommendations of department staff.

The overall justification given in support of the university's penalty waiver request was strong; however, certain arguments were particularly persuasive:

- When measured over the past three years, the total increase is only .4% above the CPI change for that same period (4.9% versus 4.3%). Although the FY 12 appropriation bill has not yet been signed, the decrease in state appropriations over that same period will be at least 10.9%.
- A number of mandatory costs have increased during the same three-year period at a rate greater than the change in the CPI for that same period (e.g., health insurance, contribution rate required by MOSERS for employee retirement system, reimbursements to the state's unemployment insurance system, and utility rates).
- During the past several years, Lincoln has taken a number of actions to reduce costs and increase efficiencies, the personnel changes alone amounting to a savings of over \$430,000 in salaries and fringe benefits.
- Even with this increase, the university will have to make further cuts in both operating funds and personnel to balance the FY 12 budget.

Lincoln's tuition decision is a positive response to the efforts made by Governor Nixon and the General Assembly to minimize the FY 12 budget reduction for universities. It also responds appropriately to their appeal for our public institutions to continue efforts to keep tuition increases to a minimum and to take other efforts to reduce costs to students. We owe it to Missouri's students and their families to keep universities affordable and accessible. I encourage you to continue to control tuition by aggressively seeking every possible opportunity to reduce costs and make the university as efficient as possible.

Regards,

A handwritten signature in black ink, appearing to read "David R. Russell". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David R. Russell, Ph.D.
Commissioner of Higher Education